GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2914
ANSWERED ON:12.12.2006
CAPITAL SUBSIDY UNDER TUFS
Reddy Shri Karunakara G.

Will the Minister of TEXTILES be pleased to state:

(a) whether Government proposes to provide a one time capital subsidy of 10 per cent to the processing units in the textile sector under the Technology Upgradation Fund Scheme;

(b) if so, the details in this regard;

(c) whether handloom sector is proposed to be covered under the scheme;

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): For textile processing units, a credit linked capital subsidy @ 10% in addition to the existing 5% interest reimbursement has been introduced since April, 2005.

(c) & (d): For handloom production units, under the Scheme, 25% capital subsidy on purchase of the new machinery and equipments for the pre-loom and post-loom operations, handlooms/up-gradation of handlooms and testing and quality control equipments are being provided.